Union of Myanmar
Form (2) Sr. No 2020-A
Dated 29.1.98
Myanmar Investment Commission

The Myanmar Investment Commission

PERMIT

Permit No. 301/98 *Date* 29th JANUARY 1998

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MR. WINFRED WAI WAH HO

(b) Citizenship HONG KONG

(c) Address 15, KANDOORIE AVENUE, KOWLOON
HONG KONG

(d) Name and address of principal organization EURO WORLD LIMITED
9F, SUMMIT BUILDING, 30 MAN YUE ST. HUNG HOM, KOWLOON, HONG KONG

(e) Place of incorporation
HONG KONG

(f) Type of business in which investment is to be made PRODUCTION OF KNIT SHIRTS, JACKETS AND OTHER GARMENT ACCESSORIES

(g) Place (s) at which investment is permitted PLOT NO. 86/87/90/91 & 94, HLAING THAR YAR INDUSTRIAL ZONE PART 3, YANGON

(h) Amount of foreign capital US $ 10.78 MILLION

(i) Period for bringing in foreign capital WITHIN 12 MONTHS AFTER SIGNING OF THE CONTRACT

(j) Total amount of capital (Kyat)
EQUIVALANT IN KYAT OF US $ 10.78 MILLION

(k) Permitted duration of investment 30 YEARS

(l) Name of the economic organization to be formed in Myanmar
EASTERN WORLD LIMITED

Maung Maung Khin

Chairman

The Myanmar Investment Commission

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၃၀၁/၉၈ ၁၉၉၈ ခုနှစ်၊ ဇန်နဝါရီ လ ၂၉ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. WINFRED WAI WAH HO

(ခ) မည်သည့်နိုင်ငံသား HONG KONG

(ဂ) နေရပ်လိပ်စာ 15, KADOORIE AVENUE, KOWLOON
HONG KONG

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ EURO WORLD LIMITED
9F, SUMMIT BUILDING, 30 MAN YUE ST, HUNG HUM,
KOWLOON, HONG KONG

(င) ဖွဲ့စည်းရာအရပ်
HONG KONG

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား အသင့်ချုပ်ပြီးအထည်များ
နှင့်ဆက်စပ်ပစ္စည်းများထုတ်လုပ်ခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) အကွက်အမှတ် ၈၆/၈၇/
၉၀/၉၁နှင့်၉၄၊ လှိုင်သာယာစက်မှုဇုန်၊ အပိုင်း၃၊ ရန်ကုန်မြို့

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၁၀.၇၈ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ စာချုပ်လက်မှတ်ရေး
ထိုးပြီး (၁၂) လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ
၁၀.၇၈ သန်းနှင့်သို့မှုသောမြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၃၀ နှစ်

( ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည်
EASTERN WORLD LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/440/97(2020-A) Tel : 272219, 272855

Dated : 29th January 1998 Fax : 095-01-282101

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Production of Knit Shirts, Jackets and Other Garment Accessories" under the name of "Eastern World Limited".

Reference: Ministry of Construction Letter No. 32/Khwe-3/95 (C-3091) dated 10-12-97.

1. The Myanmar Investment Commission, at its meeting 21/97 held on 26-12-97 had reviewed the proposal for investment in "Production of Knit Shirts, Jackets and Other Garment Accessories" under the name of "Eastern World Limited" submitted by Euro World Limited incorporated in Hong Kong, as a wholly foreign owned investment. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 3/98 held on 15-1-98 resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 30(Thirty) years commencing from the date of signing of the Lease Agreement and extendible for another term upon mutual agreement between Department of Human Settlement and Housing Development and Euro World Limited. At the expiry of the leased period, Eastern World Limited shall transfer the land and immovable [illegible] including buildings without any consideration to the Department of Human Settleme[illegible] Housing Development within 3(Three) months in good condition, ground damages having been refilled or repaired.

4. Eastern World Limited shall provide a Performance Bank Guarantee to the amount of US $ 130,000 (United States Dollars One Hundred and Thirty Thousand Only) in favour of Department of Human Settlement and Housing Development within 30(Thirty) days after signing of the Lease Agreement.

5. Eastern World Limited shall pay 2(Two) percent of audited net profit as a Commission fees to the Department of Human Settlement and Housing Development.

6. The annual rent shall be US $ 3 (United States Dollars Three Only) per square metre per annum for the project area (37320.14 square metres) to the amount of US $ 111,960.42 (United States Dollars One Hundred and Eleven Thousand Nine Hundred Sixty and Forty Two Cent Only). The rent shall be reviewed every 5(Five) years and the increase of the rent shall not be more than 15(Fifteen) percent of the preceding annual rent.

7. Eastern World Limited shall pay for maintenance of the Industrial Zone management fee as prescribed by the Management Committee of the Industrial Zone.

8. In issuing this "Permit" the Commission has granted the following exemptions and reliefs:

(a) As per Section-21(a), exemption from income-tax up to three consecutive years from the year of commencement of commercial operation.

(b) As per Section-21(b), regarding exemption from income-tax on profits of the business if they are maintained in a reserve fund and re-invested therein within one year after the reserve is made, Eastern World Limited shall apply for such exemption only after 3-year tax holiday period.

(c) As per Section-21(c), Eastern World Limited shall be granted to accelerate depreciation in respect of machinery, equipment, building or other capital assets used in the business to the extent of the original value for the purpose of income-tax assessment. However, Eastern World Limited shall have to apply to the Commission such rates of depreciation.

(d) As per Section-21(d), relief from income-tax up to 50 percent on profit accrued from exports, such relief has to be applied, upon actual performance, following 3-year tax holiday period.

(e) As per Section-21(e), Eastern World Limited shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income.

(f) As per Section-21(f), the Commission has also approved the right to pav income-tax [illegible] the income of the above-mentioned foreigners at the rates applicable [illegible] citizens residing within the country.

(g) As per Section-21(g), regarding the right to deduct from the assessable income such expenses incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, Eastern World Limited shall apply, upon actual performance of such research and development programme, only after 3-year tax holiday period.

(h) As per Section-21(h), regarding right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, Eastern World Limited shall file the case, if any, to the Ministry of Finance and Revenue in accordance with Section-4 of the Income Tax Amendment Law, 1991.

(i) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

(j) As per Section-21(j), exemption from customs duty and all other internal taxes on such raw materials and additional import of machinery, equipment and spare parts which are actually required for operation of the business shall be granted within three years of commercial operation following the period of construction. However, such imports shall be subject to the approval endorsed by the Ministry of Construction.

9. Eastern World Limited shall have to sign One Hundred Percent Foreign Investment Contract and the Lease Agreement with Department of Human Settlement and Housing Development. After signing such Agreements, (5) copies each of those shall have to be forwarded to the Commission.

10. Eastern World Limited, in consultation with the Department of Company Administration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

11. Eastern World Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

12. The official date of operation shall be reported to the Commission.

13. Eastern World Limited shall endeavour to meet the targets for productio [illegible] ort of garments in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. Eastern World Limited shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

15. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner.

(a) The amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened.

(b) The detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.

16. Whenever Eastern World Limited brings in foreign capital defined under Section 2(h) of the said Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]

18. Eastern World Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over-run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Eastern World Limited shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

20. Eastern World Limited shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite the clearanc ... its of capital and inter-industry use goods brought in as capital investment and raw mate... ls required during the initial 3-year operation period.

21. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of the official foreign exchange earnings of Eastern World Limited.

22. Eastern World Limited, in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig-Gen Maung Maung
Secretary

Mr. Winfred Wai Wah Ho
Euro World Limited
c/o Director General
Department of Human Settlement and Housing Development

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Ministry of National Planning and Economic Development
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Construction
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour
12. Ministry of Electric Power
13. Chairman, Committee for Assisting the Myanmar Investment Commission (Governor Central Bank of Myanmar)
14. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department)
15. Director General, Directorate of Investment and Company Administration
16. Director General, Customs Department
17. Director General, Internal Revenue Department
18. Managing Director, Myanma Foreign Trade Bank
19. Managing Director, Myanma Investment and Commercial Bank

20. Managing Director, Myanma Insurance
21. Managing Director, Myanma Electric Power Enterprise
22. Director General, Directorate of Trade
23. Director General, Immigration and National Registration Department
24. Director General, Directorate of Labour
25. Chairman, Union of Myanmar Chamber of Commerce and Industry